

PUBLIC DISCLOSURE

August 1, 2005

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

BRISTOL COUNTY SAVINGS BANK

35 BROADWAY
TAUNTON, MA 02780

DIVISION OF BANKS
ONE SOUTH STATION
BOSTON, MA 02110

<p>NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Division of Banks concerning the safety and soundness of this financial institution.</p>
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GENERAL INFORMATION

The Community Reinvestment Act ("CRA") requires the Massachusetts Division of Banks ("Division") to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting its needs of its entire assessment area, including low and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of **BRISTOL COUNTY SAVINGS BANK (or the "Bank")** prepared by the Division, the institution's supervisory agency, as of **August 1, 2005**. The Division evaluates performance in the assessment area(s), as they are defined by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The Division rates the CRA performance of an institution consistent with the provisions set forth in 209 CMR 46.00.

INSTITUTION'S CRA RATING: This institution is rated "Outstanding".

Under the Lending Test, the Bank is assigned an overall rating of Outstanding. Approximately, 77.5 percent of the Bank's mortgage loans and 78.9 percent of the Bank's small business loans were made in the assessment area. Lending was well distributed throughout the assessment area. The Bank's distribution of home mortgage and small business loans among the various census tracts was good. The Bank's distribution of its home mortgage loans among borrowers of different income levels was good given the assessment area's demographics and the comparison of all other Home Mortgage Disclosure Act ("HMDA") reporting lenders within the assessment area. The Bank continues to be an active community development lender and finances projects that create and preserve affordable housing in the community and is a strength of the institution. The Bank's use of innovative and flexible lending products is considered excellent. In addition, the Bank's fair lending performance was found to be excellent at this time.

Bristol County Savings Bank has an excellent level of qualified community development investments and grants. The Bank has exhibited an excellent responsiveness to credit and community economic development needs. Based on the review conducted under the Investment Test, the Bank's investment performance is rated Outstanding.

The Bank has demonstrated an excellent level of service in its assessment area. The Bank's delivery systems are readily accessible to all portions of the assessment area. The Bank's services are tailored to meet the needs of the assessment area, with specific services benefiting low and moderate-income individuals. Bank personnel meet with local community organizations to discuss the credit needs of the community, and make their own personal contributions through volunteer efforts in a variety of public service, charitable, and youth organizations. Based upon these findings, the Bank granted a rating of outstanding with regards to the Service Test.

LENDING, INVESTMENT, AND SERVICE TEST TABLE

PERFORMANCE TESTS Bristol County Savings Bank			
Performance Levels	Lending Test*	Investment Test	Service Test
Outstanding	X	X	X
High Satisfactory			
Satisfactory			
Needs to Improve			
Substantial Non-Compliance			

* Note: The Lending Test is weighed more heavily than the Service and Investment Tests when arriving at an overall rating.

PERFORMANCE CONTEXT

Description of Institution

Bristol County Savings Bank is a mutually-owned financial institution with \$916 million in total assets, of which approximately \$568 million or 62.0 percent were in gross loans as of June 30, 2005. The Bank's primary focus is non-farm nonresidential real estate which comprises 39.5 percent of the total loan portfolio. Refer to the following table for more information.

Loan Portfolio

Loan Type	Amount (\$ 000s)	Percent
Nonfarm Nonresidential Real Estate	224,671	39.5%
1-4 Family Residential Real Estate	184,928	32.6%
Commercial and Industrial	51,832	9.1%
Loans to Individuals	41,325	7.3%
Construction and Land Development Real Estate	29,025	5.1%
Equity Lines of Credit	17,888	3.2%
Multi-Family Residential Real Estate	17,325	3.0%
Other Loans	1,207	0.2%
Total	\$ 568,201	100.0%

Source: June 30, 2005 Consolidated Report of Condition.

As shown by the data in the table above, the loan portfolio is diversified. Approximately, 39.5 percent is centered on non-farm nonresidential real estate followed by 1-4 family residential real estate with 32.6 percent and commercial & industrial with 9.1 percent.

The Bank operates in a highly competitive area. Competition includes both state and nationally chartered financial institutions located within its assessment area. Its primary competitors are regional financial institutions.

The examiners used PCI Services, Inc., CRA Wiz, to generate aggregate HMDA reports, when comparing Bristol County Savings Bank to all other HMDA-reporting lenders throughout its assessment area for calendar year 2003. The other HMDA reporters, totaling 453, include bank and non-bank entities such as large national banking companies, local banks, credit unions, and mortgage companies.

The Bank was last examined for compliance with CRA by the Federal Deposit Insurance Corporation ("FDIC") on February 10, 2004. That examination resulted in rating of Outstanding. The Division last examined Bristol County Savings Bank on April 17, 2001. That examination resulted in a CRA rating of High Satisfactory.

DESCRIPTION OF ASSESSMENT AREA

The CRA requires a bank to designate one or more assessment area(s) within which its record of helping to meet the needs of its community will be evaluated. Bristol County Savings Bank's assessment area consists of the cities and towns of Attleboro, Berkley, Dighton, Franklin, North Attleboro, Norton, Plainville, Raynham, Rehoboth, Seekonk, Taunton, Wrentham, and Pawtucket, Rhode Island.

According to 2000 census data, Bristol County Savings Bank's assessment area has 121,740 housing units, of which 63 percent are owner-occupied, 33 percent are rental occupied units and 3 percent are vacant housing units. One to four family properties comprise 82 percent of the total housing units.

Census tracts are defined as either low, moderate, middle or upper-income based on median Family Household Income ("FHI") within the census tract. According to the 2003 demographic data, the Bank's assessment area contains 60 census tracts: 2 (3.33 percent) are low-income, 17 (28.33 percent) are moderate-income, 28 (46.67 percent) are middle-income and 13 (21.67 percent) are upper-income. The Bank's assessment area contains a total population of 311,238 individuals. Minority individuals account for 39,325 or 12.6 percent of the total population of the assessment area.

Please refer to the table below regarding other housing characteristics:

<i>Selected Housing Characteristics by Income Category of the Geography</i>						
<i>Geographic Income Category</i>	<i>Percentage</i>					
	<i>Census Tracts</i>	<i>House holds</i>	<i>Housing Units</i>	<i>Owner-Occupied</i>	<i>Rental Units</i>	<i>Vacant Units</i>
<i>Low</i>	4.99%	3.46%	3%	7.87%	8.29%	8.66%
<i>Moderate</i>	21.67%	17.17%	18%	9.30%	32.39%	31.65%
<i>Middle</i>	41.67%	42.03%	42%	43.40%	39.21%	37.39%
<i>Upper</i>	31.67%	37.34%	37%	46.46%	20.10%	22.31%
<i>NA</i>	-	-	-	-	-	-
<i>Total or Median</i>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Change in MSA for 2004

The Office of Management and Budget ("OMB") revised its Standards for Defining Metropolitan and Micropolitan Areas in December 2000 under the Metropolitan Area program. In June 2003, OMB defined new metropolitan statistical area ("MSA") boundaries, which were then updated and became effective January 2004. The application of OMB's 2000 standards will result in some census tracts changing income levels without any real change in economic conditions within the tracts. In part, these changes are the result of different criteria used by OMB in setting the 2000 standards and, subsequently, the MSA/Metropolitan Division ("MD") boundaries that impact 2004 data.

DESCRIPTION OF ASSESSMENT AREA (CONTINUED)

According to 2004 demographic data, the Bank's assessment area contains 60 census tracts: 3 (5.0 percent) are low-income, 13 (21.7 percent) moderate-income, 25 (41.7 percent) are middle-income and 19 (31.7 percent) are upper-income.

As a result of the OMB revision, changes to the census tracts between 2003 and 2004 are as follows:

Change in MSA Tracts					
Census Tracts	2003 Census Data		2004 Census Data		Change in Number of Census Tracts
	#	%	#	%	
Low	2	3.3%	3	5.0%	1
Moderate	17	28.3%	13	21.7%	(4)
Middle	28	46.7%	25	41.7%	(3)
Upper	13	21.7%	19	31.6%	6
NA	0	0.0%	0	0.0%	0
Total	60	100.0%	60	100.0%	0

Income

The median family income in 2003 for the Boston, MA–NH, the Brockton, and Providence–Fall River–Warwick, RI–MA MSAs was \$80,800, \$70,300 and \$58,400 respectively. The median family incomes for the Boston Quincy MD in 2004 and 2005 were \$75,300 and \$76,400 respectively. The median family incomes for the Providence–New Bedford–Fall River, RI–MA MSA in 2004 and 2005 were \$61,300 and \$64,750 respectively. The income figures are based on estimated Department of Housing and Urban Development (“HUD”) information. Low-income is defined by the US Census Bureau as income below 50 percent of the median family income level for the MSA. Moderate-income is defined as income between 50 percent and 79 percent of the median family income level for the MSA. Middle-income is defined as income between 80 percent and 119 percent of the median income. Upper-income is defined as income equal to or greater than 120 percent of the median income.

Demographic information for the Bank's assessment area was obtained from data compiled by the 2000 U.S. Census as well as by the MSA boundaries established in January 2004. Information based on the newly revised MSA boundaries was used to evaluate the Bank's 2004 performance while the "older" boundaries were used to evaluate the Bank's 2003 performance. Consequently, the distribution of loans in 2003 will be discussed separately.

Numerous businesses operate throughout the area, most of which are concentrated in the upper-income census tracts. The highest proportion of these business establishments are engaged in the service industry. Businesses involved in retail trade and construction also make up a significant share of the establishments. Approximately, 64.2 percent of the businesses have revenues under \$1 million and over half employ four or fewer people.

DESCRIPTION OF ASSESSMENT AREA (CONTINUED)

Unemployment figures were obtained for the assessment area. As of July 2005, the assessment area had an unemployment rate of 4.7 percent. The Town of Attleboro had the highest rate while the Town of Franklin had the lowest rate. The assessment area's unemployment rate was lower than the statewide average of 4.9 percent. The unemployment rate for the City of Pawtucket was unavailable.

The area's housing prices continue to rise considerably. The median sale price of homes in the Bank's assessment area was \$310,000 according to statistics published by the Warren Group. Warren Group figures also show that the area's median home sales price for 2005 ranged from a low of \$255,000 in Rehoboth to a high of \$402,950 in Wrentham.

Community Contact Information

As part of the examination, community organizations are contacted by examiners to determine if there are any areas in need of assistance from local institutions, and to verify if the institutions are meeting the credit needs of the assessment area. These interviews also provide examiners with knowledge regarding the assessment area, its economic base, and community development initiatives.

During this examination, the examiners contacted the Executive Director of an organization that is concerned with affordable housing and community development activities in the City of Attleboro.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The Bank's lending performance is determined by factors such as the volume of the institution's loans within its assessment area, particularly to low and moderate-income borrowers and geographies; the amount of small business loans originated to businesses with annual revenues less than \$1 million; the institution's responsiveness to community development lending; and the use of innovative and flexible lending practices. The following information details the data compiled and reviewed, as well as conclusions on the Bank's performance.

Scope of Evaluation

The lending test evaluates an institution's record of helping to meet the credit needs of its assessment area based on an analysis of its residential mortgage, small business, and community development loans. Residential mortgage and small business loans originated during 2003, 2004 and YTD June 30, 2005 were included in the Bank's performance evaluation.

The data used to evaluate the Bank's lending was derived from the Home Mortgage Disclosure Act/Loan Application Register (HMDA/LAR), small business loan register, and the Bank's community development loan register.

I. Lending Activity

Residential Mortgage Lending

Bristol County Savings Bank's assets totaled approximately \$916 million as of June 30, 2005. Gross loans totaled \$568,201,000 and the net loan-to-deposit ratio was 82.0 percent. As of the last examination dated February 10, 2004, Bristol County Savings Bank's asset size was \$803 million compared to \$916 million as of June 30, 2005, a 14.1 percent increase.

Bristol County Savings Bank's LARs were reviewed to determine the amount of credit extended within the Bank's assessment area. During this period, the Bank originated 992 HMDA-reportable loans totaling \$162.9 million. Of this amount, 769 loans, or 77.5 percent of the number and \$116 million or 71.2 percent of the dollar volume was originated in the Bank's assessment area.

By number, Taunton, accounted for the largest number of originations with 25.3 percent, followed by Attleboro with 14.7 percent. Taunton also accounted for the largest dollar volume of originations with 20.4 percent, followed by Attleboro with 15.0 percent. Refer to the following tables for additional information regarding the Bank's HMDA-reportable lending, by both number and dollar volume.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

LENDING TEST (CONTINUED)

Distribution of Home Mortgage Loans Inside and Outside of the Assessment Area								
Year	Inside				Outside			
	Number of Loans		Dollar in Loans (000s)		Number of Loans		Dollars in Loans (000s)	
	#	%	\$	%	#	%	\$	%
2003	444	78.9%	63,962	75.2%	119	21.1%	21,059	24.8%
2004	209	77.4%	32,864	68.4%	61	22.6%	15,215	31.6%
2005	116	73.0%	19,216	64.4%	43	27.0%	10,604	35.6%
Total	769	77.5%	116,042	71.2%	223	22.5%	46,878	28.8%

Source: HMDA/LAR, CRA Wiz

As shown in the tables above, there has been a large decline in the volume of loans from 2003 to 2004. This was due to an increase in interest rates in 2004, which resulted in decreased demand. In 2003, Bristol County Savings Bank ranked 23rd out of 453 HMDA-reporting lenders in the assessment area. Bristol County Savings Bank originated 444 loans in the assessment area giving the Bank a 1.0 percent market share. The top three lenders in the assessment area were Countywide Home Loans with a 7.3 percent market share, Washington Mutual Bank, FA with a 5.0 percent market share, and Wells Fargo Home Mortgage with a 4.7 percent market share.

Small Business Lending

Bristol County Savings Bank's Small Business Loan Registers (SBLRs) were reviewed to determine the amount of credit extended within the assessment area. For purposes of this loan register, a small business loan is defined as "a loan with an original amount of \$1 million or less that is: secured by non-farm nonresidential properties; or commercial and industrial loans to US addressees, as defined in the FDIC Call Report Instructions." The Bank originated 993 small business loans totaling \$177.4 million during this period. A total of 783 loans totaling \$131.4 million were originated to businesses within the Bank's assessment area, representing 78.9 percent by number and 74.1 percent by dollar volume. Please refer to the following table detailing the distribution of small business loans inside and outside the assessment area.

Distribution of Small Business Loans Inside and Outside of the Assessment Area								
Year	Inside				Outside			
	Number of Loans		Dollar in Loans (000s)		Number of Loans		Dollars in Loans (000s)	
	#	%	\$	%	#	%	\$	%
2003	314	80.5%	48,932	75.3%	76	19.5%	16,073	24.7%
2004	312	79.0%	50,138	72.5%	83	21.0%	19,022	27.5%
2005	157	75.5%	32,398	74.9%	51	24.5%	10,866	25.1%
Total	783	78.9%	131,468	74.1%	210	21.1%	45,961	25.9%

Source: CRA Data Collection

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

LENDING TEST (CONTINUED)

By number, Attleboro, accounted for the largest number of originations with 27.2 percent, followed by North Attleboro and Taunton with 10.8 percent each. Attleboro also accounted for the largest dollar volume of originations with 22.3 percent, followed by North Attleboro with 14.0 percent.

Overall, the Bank's level of HMDA reportable and small business lending reflects good responsiveness to the credit needs of the assessment area based on the size of the Bank, its financial condition, and its strong local competition.

II. Geographic Distribution of Loans

Residential Lending

HMDA-reportable loans located within the Bank's assessment area were further analyzed to determine location by census tract income level. The assessment area is comprised of 60 census tracts: 2 or 3.3 percent as low-income; 17 or 28.3 percent as moderate-income; 28 or 46.7 percent as middle-income and 13 or 21.7 percent as upper-income according to 2000 census data using the old MSA boundaries. According to the 2000 census data using the new MSA boundaries, the assessment area still contains 60 census tracts of which 3 or 5.0 percent are designated as low-income; 13 or 21.7 percent as moderate-income; 25 or 41.7 percent as middle-income; and 19 or 31.6 percent as upper-income.

The following table provides a breakdown, by number, of the Bank's HMDA-reportable loans within its assessment area according to census tract income level. The table also shows the number of loans in comparison to the number of owner-occupied housing units in each census tract income category.

Distribution of HMDA Loans by Income Category of the Census Tract								
Census Tract Income Level	% Total Owner-Occupied Housing Units-2003	% Total Owner-Occupied Housing Units-2004	2003		2004		YTD 2005	
			#	%	#	%	#	%
Low	0.3%	0.8%	0	0.0%	1	0.5%	0	0.0%
Moderate	16.1%	9.3%	68	15.3%	6	2.8%	6	5.2%
Middle	54.6%	43.4%	229	51.6%	104	49.8%	53	45.7%
Upper	29.0%	46.5%	147	33.1%	98	46.9%	57	49.1%
NA	-	-	-	-	-	-	-	-
Total	100.0%	100.0%	444	100.0%	209	100.0%	116	100.0%

Source: U.S. Census, HMDA LAR

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

LENDING TEST (CONTINUED)

As shown in the above table, 15.3 percent of the Bank's total HMDA reportable loans in 2003 were within moderate-income census tracts. This number indicates that the activity in moderate-income census tracts is consistent with the percentage of owner-occupied housing units in the assessment area for 2003. In 2004, the Bank's percentage of lending is below the percentage of owner-occupied housing units. In addition, there was a significant drop in the number of loans in moderate-income tracts between 2003 and 2004. This reduction can be attributed to the change in the MSA designation which resulted in tracts changing income designations.

The geographic distribution of the Bank's loans by census tract income category may also be compared to that of all other HMDA reportable lenders in the assessment area. Other HMDA reporters include bank and non-bank entities such as large national banking companies, other local banks, credit unions and mortgage companies. The most recent data available for this analysis relates to calendar year 2003 and is presented in the following table.

Distribution of HMDA Reportable Loans Bristol County Savings Bank Compared to All Other Reporters								
Census Tract Income Level	Number of Loans				Dollar Amount of Loans			
	Bristol County Savings Bank		All Other Reporters		Bristol County Savings Bank		All Other Reporters	
	#	%	#	%	\$(000)	%	\$(000)	%
Low	0	0.0%	161	0.4%	0	0.0%	21,987	0.3%
Moderate	68	15.3%	6,089	14.1%	9,206	14.4%	904,546	11.9%
Middle	229	51.6%	23,169	53.8%	32,863	51.4%	4,017,653	52.7%
Upper	147	33.1%	13,634	31.7%	21,893	34.2%	2,672,859	35.1%
Total	444	100.0%	43,053	100.0%	63,962	100.0%	7,617,045	100.0%

Source: 2003 HMDA Aggregate Data

As demonstrated above, Bristol County Savings Bank was above the aggregate in lending to moderate-income census tracts during 2003. The Bank originated 15.3 percent of its HMDA reportable loans within moderate-income census tracts while the aggregate originated 14.1 percent in the same areas. Additionally, the Bank outperformed the aggregate by dollar amount of originations as 14.4 percent by dollar amount were granted in moderate-income tracts compared to the aggregate at 11.9 percent.

Small Business Lending

Bristol County Savings Bank's small business loans were also analyzed to determine the distribution by census tract income level within its assessment area during the examination.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

LENDING TEST (CONTINUED)

Distribution of Small Business Loans by Income Category of the Census Tract								
Census Tract Income Level	% of Total Number of Small Businesses		2003		2004		YTD 2005	
			#	%	#	%	#	%
	2003	2004						
Low	1.9%	3.0%	5	1.6%	2	0.6%	0	0.0%
Moderate	21.5%	15.3%	35	11.2%	46	14.7%	11	7.0%
Middle	51.8%	39.9%	154	49.0%	116	37.2%	64	40.8%
Upper	24.8%	41.8%	120	38.2%	148	47.5%	82	52.2%
Total	100.0%	100.0%	314	100.0%	312	100.0%	157	100.0%

Source: CRA data collection, CRA Aggregate Lending Data

This analysis indicates that Bristol County Savings Bank originated 92 or 11.8 percent of its small business loans in moderate-income census tracts. The majority of the Bank's small business lending was concentrated in the middle and upper-income census tracts where the majority of businesses operate.

Based on the above information, the Bank's distribution of HMDA-reportable loans and small business loans by census tract income level reflects an adequate dispersion of loans throughout the assessment area.

III. Distribution of Loans by Borrower Income

Residential Mortgage Lending

This factor assesses how well the Bank is addressing the credit needs of the area's low, moderate-, middle-, and upper-income residents.

Borrowers reported incomes were compared to the median family income of the Boston MSA for 2003. The designation changed for 2004 and the examiners utilized the Boston-Quincy MA MD and the Providence-New Bedford-Fall River, RI-MA MSA. These income figures are based on estimated HUD information.

The following table shows the number of HMDA reportable loans granted to low, moderate, middle and upper-income borrowers in comparison to the number of households in the assessment area in each respective income group.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

LENDING TEST (CONTINUED)

Distribution of HMDA Loans by Borrower Income									
Median Family Income Level	% Total House holds	2003		2004		YTD 2005		Total	
		#	%	#	%	#	%	#	%
Low	23.2%	42	9.5%	15	7.2%	9	7.8%	66	8.6%
Moderate	15.6%	76	17.1%	37	17.7%	21	18.1%	134	17.4%
Middle	19.3%	140	31.5%	44	21.0%	39	33.6%	223	29.0%
Upper	41.9%	174	39.2%	98	46.9%	44	37.9%	316	41.1%
NA	-	12	2.7%	15	7.2%	3	2.6%	30	3.9%
Total	100.0%	444	100.0%	209	100.0%	116	100.0%	769	100.0%

Source: U.S. Census, HMDA LAR

The Bank extended 66 loans to low-income borrowers representing 8.6 percent of total loans within the assessment area. These loans represent 4.7 percent, by dollar amount, of the total loans originated within the assessment area during this period. This is well below the 23.2 percent of low-income households within the assessment area. However, there are mitigating factors present that account for this disparity such as competition, the percentage of people living below the poverty level who cannot afford to purchase a home, as well as the high cost associated with purchasing a home in the area which makes homeownership virtually impossible for many individuals in this income category. This is also supported by the fact that the aggregate data is also well below the percent of low-income households within the assessment area and so demonstrates further that all lenders are having difficulty making loans in this income category.

In addition, the Bank extended 134 loans to moderate-income borrowers, representing 17.4 percent by number. These loans represent 13.2 percent by dollar amount of the Bank's total originations and purchases within its assessment area. The number of loans is higher than the 15.6 percent of moderate-income households within the assessment area.

The distribution of the Bank's loans among various borrower income levels may also be compared to that of all other HMDA reportable lenders in the assessment area. As previously mentioned, other HMDA reporters include bank and non-bank entities such as large national banking companies, other local banks, credit unions and mortgage companies. The most recent data available for this analysis relates to calendar year 2003 and is presented in the following table.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

LENDING TEST (CONTINUED)

Distribution of HMDA Reportable Loans Bristol County Savings Bank Compared to All Other Reporters								
Borrower Income Level	Number of Loans				Dollar Amount of Loans			
	Bristol County Savings Bank		All Other Reporters		Bristol County Savings Bank		All Other Reporters	
	#	%	#	%	\$(000)	%	\$(000)	%
Low	42	9.5%	2,446	5.7%	3,824	6.0%	273,298	3.6%
Moderate	76	17.1%	8,366	19.4%	8,765	13.7%	1,213,900	15.9%
Middle	140	31.5%	12,731	29.6%	18,951	29.6%	2,166,215	28.4%
Upper	174	39.2%	14,116	32.8%	30,354	47.4%	2,888,096	38.0%
NA	12	2.7%	5,394	12.5%	2,068	3.3%	1,075,536	14.1%
Total	444	100.0%	43,053	100.0%	63,962	100.0%	7,617,045	100.0%

Source: 2003 HMDA Aggregate Data

Bristol County Savings Bank's 2003 distribution of residential loans to low and moderate-income borrowers is mixed when compared to the aggregate. The Bank's percentage of loans to low-income borrowers exceeded that of the aggregate by both number and dollar amount. However, the Bank's percentage of loans to moderate-income borrowers was below the aggregate by both number and dollar amount. Additionally, the percentage of originations to middle-income borrowers was proportionate to that of the aggregate's performance.

Bristol County Savings Bank ranked 24th in market share in lending to low and moderate-income individuals in the assessment area during 2003. The Bank originated 118 loans to low and moderate-income borrowers capturing 1.1 percent of the market. The top three lenders to low and moderate-income borrowers within Bristol County Savings Bank's assessment area for 2003 were Countrywide Home Loans, GMAC Mortgage Corporation, and Fleet National Bank (now Bank of America).

Given the above information, Bristol County Savings Bank is doing a good job of originating loans to applicants of various incomes, including those of low and moderate-income.

Small Business Lending

The small business loans originated within the Bank's assessment area were further analyzed to determine the typical loan amount at origination. The majority of the 783 small business loans originated in the Bank's assessment area, during this time period, had original loan amounts of \$100,000 or less. The following table depicts the distribution of small business loans within the Bank's assessment area by loan amount at origination.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

LENDING TEST (CONTINUED)

Distribution of Small Business Loans by Loan Size								
Loan Size (000s)	2003		2004		YTD 2005		Total	
	#	%			#	%	#	%
< \$100	190	60.5%	189	60.6%	84	53.5%	463	59.1%
\$100 - \$250	69	22.0%	57	18.3%	27	17.2%	153	19.6%
> \$250 - \$1,000	55	17.5%	66	21.1%	46	29.3%	167	21.3%
Total	314	100.0%	312	100.0%	157	100.0%	783	100.0%

Source: CRA Data Collection

By dollar amount, 18.0 percent of the loans had amounts less than \$100,000 and 21.0 percent had loan amounts between \$100,000 and \$250,000. The remaining 61.0 percent had loan amounts greater than \$250,000.

Small business loans originated within the Bank's assessment area, during this period, were also analyzed to determine the distribution among businesses of various sizes. Slightly less than a majority of small business loans originated during this period were granted to small businesses, whose annual revenues were \$1 million or less. The following tables depict the distribution of small business loans within the Bank's assessment area by revenues of the business.

Distribution of Small Business Loans by Gross Annual Revenues of Business								
Gross Annual Revenues (000s)	2003		2004		2005		Total	
	#	%	#	%	#	%	#	%
<= \$1,000	158	50.3%	145	46.5%	73	46.5%	376	48.0%
> \$1,000	148	47.1%	155	49.7%	80	51.0%	383	48.9%
Unknown	8	2.6%	12	3.8%	4	2.5%	24	3.1%
Total	314	100.0%	312	100.0%	157	100.0%	783	100.0%

Source: CRA Data Collection

Based on the information above, the Bank's lending to borrowers of different income levels, especially those of low and moderate-income, and businesses of various sizes with small business loans, especially the very small business loans, reflects a good performance.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

LENDING TEST (CONTINUED)

IV. Community Development Lending

Bristol County Savings Bank has granted an excellent level of qualified community development loans during this examination period. As defined in the CRA regulation, a community development loan has as its primary purpose: affordable housing for low and moderate-income individuals, community services targeted to low and moderate-income individuals, activities that promote economic development by financing small businesses or small farms, or activities that revitalize or stabilize low and moderate-income geographies. In addition, unless it is for a multifamily dwelling (five or more units), the loan must not be reported as a home mortgage or small business loan.

During the examination period, Bristol County Savings Bank originated 46 loans totaling \$20,368,104 that meet the definition of Community Development. All of the loans the Bank finances are complex and require special underwriting and understanding of the characteristics unique to the community. Each loan requires substantial time and effort during the entire loan negotiation and closing process. In addition, the Bank has a staff knowledgeable about the market and the types of funding sources required as well as being able to work in cooperation with multiple financing partners. The following describes a sample of the Community Development Loans originated and committed by the Bank during the period under review.

In 2003, the Bank renewed a \$150,000 line of credit to a non-profit agency which provides services to individuals with developmental disabilities and their families. The line of credit supports working capital. The Bank renewed this line of credit again in 2005.

In 2003, the Bank financed the construction of a new building through a \$1.9 million construction/permanent mortgage for a non-profit agency as well as renewed a \$250,000 working capital line of credit. The agency provides support to children, adults and seniors experiencing financial difficulties, developmental delays and/or disabilities, or educational risk factors. The agency's five major programs include Early Head Start, Early Intervention, Parent-Child Home, Residential and Wise Elder Services. The Bank renewed the line of credit in 2004.

The Bank granted a \$480,000 construction mortgage to a non-profit corporation with the purpose of renovating three donated ranch style homes to donated lots for resale to low and moderate income individuals in 2003. The corporation's programs are targeted at providing housing and housing improvements for low- and moderate- income individuals.

In 2003, the Bank granted The Taunton Development Corporation ("TDC") a \$2,500,000 commercial mortgage to purchase approximately 190 acres of land. TDC is a non-profit corporation organized for the purpose of the development through marketing, management and maintenance of industrial parks in the City of Taunton. This organization provides opportunities for economic development through the retention and attraction of new businesses in the city. As a result, the city has a stronger job and tax base. The commercial mortgage that the Bank granted has helped

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

LENDING TEST (CONTINUED)

TDC in the development of a new 320-acre industrial park on Stevens Street in East Taunton called Liberty & Union Park. This park is being built in three phases. Currently, two buildings have been constructed in the park: one for ADVO, a national direct mailing company and one for Jordan's Furniture, a major Massachusetts furniture retailer. Both parks are located in Economic Target Areas.

The Bank provided a \$200,000 commercial line of credit in 2004 to a Pawtucket based non-profit agency which provides a number of community services such as heating assistance, job training, clothing assistance and a home ownership program. In addition, the organization also has two wholly owned subsidiaries, which are involved in low-income housing. The first subsidiary is a general partner in a limited partnership that provides housing and related facilities to low-income individuals. The second is a general partner in another limited partnership, which is rehabilitating a 28 unit low-income housing development.

The Bank renewed a \$1,300,000 line of credit to support working capital to a non-profit school for emotionally troubled children. The children have behavioral and learning difficulties and many come from low and moderate income families.

Bristol County Savings Bank granted a \$600,000 18-month note to refinance an existing \$300,000 mortgage and provide \$300,000 to continue with the project, to a real estate development company in Rehoboth, MA. The customer decided to develop a 66-unit adult condominium community as a "40B" affordable housing project in order to move forward. Under the proposed 40B project, at least 25% of the units must be affordable to lower income households who earn no more than 80% of the area medium income.

In 2004, the Bank renewed a \$150,000 line of credit and provided an additional \$25,000 working capital line of credit to a non-profit housing agency. The agency's purpose is to educate homebuyers and to develop and preserve affordable housing in the City of Taunton. The lines of credit are to finance renovations of purchased abandoned homes that will be sold to low- and moderate- income families. In 2005, the Bank renewed the \$25,000 line of credit and increased the second line of credit to \$220,000.

The Bank provided a \$500,000 line of credit to a non-profit educational agency in 2004. The agency operates a year-round residential treatment center for males with sexual behavior problems from trauma reactive to sexual abuse. Many of the programs and services assist low and moderate income youths. This line of credit was renewed in 2005.

The Bank provided a \$350,000 line of credit in 2005 to a non-profit agency devoted to providing residential group homes, vocational counseling, training programs and services and recreational programs to disabled people in Southeastern Massachusetts. Many clients are low income individuals with little or no prior work and limited life experiences.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

LENDING TEST (CONTINUED)

In 2005, the Bank provided a \$150,000 line of credit to a non-profit agency, which provides services to individuals and families with developmental disabilities.

V. Innovative or Flexible Lending Practices

Bristol County Savings Bank serves the credit needs of its assessment area by offering a variety of fixed and adjustable rate mortgage products. Given the size and financial condition of the institution, the level of Bank involvement is considered very good. The following highlights the various innovative and flexible loan programs offered by the institution.

Residential Lending:

- **First Time Home Buyer Program:** This program is offered as a 30-year fixed rate mortgage and as a 25-year adjustable rate mortgage product with no points and reduced closing costs. Private Mortgage Insurance (PMI) is waived with a 10 percent down payment, all of which can be from "gift" funds. This program is offered for the purchase of one and two family, owner-occupied dwellings. In 2003 and 2004, the Bank originated 49 loans totaling \$10,245,000 and 41 loans totaling \$8,890,000 respectively. In 2005, the Bank originated 38 loans totaling \$8,562,000.
- **Federal Home Loan Bank of Boston Equity Builders Program:** The Equity Builders Program provides down payment, closing-cost, and rehabilitation assistance for low-to-moderate-income buyers. In order to be eligible for these funds, borrowers must complete a home-buyer counseling program administered by an experienced, nonprofit counseling agency. In April of 2004, the Bank was approved to receive \$60,344 in grant funds to use in conjunction with its Affordable Housing Program. In 2004, the Bank provided \$16,656 in grant funds to 2 borrowers. In 2005, the Bank provided \$39,450.00 in grant funds to 5 borrowers.
- **Affordable Housing Program:** The Bank offers this program to help low and moderate income individuals purchase their first home within Bristol County Savings Bank's assessment area. This is a 30-year fixed rate mortgage product with no points, reduced closing costs and a waived origination fee. The Bank reduced its down payment requirements to 3 percent for one to two family homes and 5 percent for three to four family homes, of which the majority may be gifted or granted. The debt to income ratio was expanded to 41 percent. To be eligible for this program, borrowers must complete a HUD approved Home Ownership Counseling Program and Landlord Counseling for two to four family homes. The Bank developed this program in 2003 and originates loans in conjunction with the Equity Builders Program. In 2004, the Bank originated 2 loans totaling \$343,500. In 2005, the Bank originated 5 loans totaling \$784,200.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

LENDING TEST (CONTINUED)

Small Business Lending

- Small Business Administration (“SBA”) 504 Loan Program: The 504 Loan program provides long-term, fixed-rate financing to small businesses to acquire real estate or machinery or equipment for expansion or modernization. Typically a 504 project includes a loan secured from a private-sector lender with a senior lien, a loan secured from a CDC (funded by a 100 percent SBA-guaranteed debenture) with a junior lien covering up to 40 percent of the total cost, and a contribution of at least 10 percent equity from the borrower. The maximum SBA debenture generally is \$ 1 million. The Bank originated 2 loans totaling \$850,000 in 2003 and 4 loans totaling \$1,367,300 in 2004. In 2005, the Bank originated 2 loans totaling 1,650,000.
- Small Business Administration 7A Program: The 7A program is the SBA's primary business loan program to help provide financing to qualified small businesses that might not be eligible for business loans through normal banking channels. Financing under this program can be guaranteed for a variety of general business purposes. The Bank originated 2 loans, both in 2004, totaling \$743,300. In 2005, the Bank originated 1 loan for \$600,000.
- Southeastern Enterprise Fund: The Southeastern Enterprise Fund is a \$13 million fund managed by the Southeastern Economic Development (SEED) Corporation. Bristol County Savings Bank is one of 19 banks that participate in the fund. The Fund provides loans up to \$150,000 to small businesses for working capital, real estate, and equipment financing. The Bank originated 1 loan for \$95,000 in 2003.
- LowDoc Program: The SBA LowDoc program is 90 percent guaranteed by the SBA, which focuses on the character, credit, and business experience of the applicant, rather than availability of collateral. In addition, documentation requirements are minimal. In 2005, the Bank originated 1 loan for \$97,500.

VI. Fair Lending Policies and Practices

Bristol County Savings Bank’s fair lending policy and procedures are comprehensive in nature and address specific areas such as staff training, fair lending procedures, a loan application and an evaluation process as well as applicable rules and regulations regarding the Fair Housing Act, Equal Credit Opportunity Act, the Consumer Protection Act, and the Community Reinvestment Act.

All employees are provided with training appropriate to their job description and their responsibilities in fair lending issues. This includes information regarding both technical requirements that come into play, as well as the more substantive and subtle issues related to unintentional discrimination and quality of assistance. Fair Lending training was held in 2003 for all lending personnel. Fair lending training was also provided to all residential and consumer loan personnel in June 2005 and to the Board of Directors in May 2005.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

LENDING TEST (CONTINUED)

All loan applications that are slated for denial by the loan officer or underwriter will undergo a second review. Another loan officer will conduct the second review. Two signatures on the underwriting sheet will evidence the second review process. The second review is applied to all types of loans, including commercial, residential, and consumer.

The Bank's Compliance Officer conducts an annual audit of the Bank's fair lending performance. All the audit reports are submitted to management and the Board of Directors.

Minority Application Flow

Bristol County Savings Bank's assessment area contains 311,238 individuals, 39,325 or 12.6% of who are minorities. The assessment area's minority population is 0.1% Native American, 1.3% Asian, 2.6% Black, 5.0% Hispanic and 3.6% Other based on 2000 demographic data.

A review of residential loan applications was conducted in order to determine the number of applications the Bank received from minorities. The Bank received 896 residential loan applications from within its assessment area. During this period, 45 applications or 5.0% were received from minorities. Of the 45 applications received, 36 or 80.0 percent resulted in originations. The Bank's minority applications appear to be below the 2000 Census information.

Refer to the following table for further details.

MINORITY APPLICATION FLOW –BRISTOL COUNTY SAVINGS BANK								
RACE	2003		2004		YTD 2005		TOTAL	
	#	%	#	%	#	%	#	%
<i>Native American</i>	2	0.4	1	0.4	0	0.0	3	0.3
<i>Asian</i>	4	0.8	0	0.0	6	4.7	10	1.1
<i>Black</i>	5	1.0	2	0.8	0	0.0	7	0.8
<i>Hawaiian/Pac Isl.</i>	-	-	2	0.8	0	0.0	2	0.2
<i>Hispanic</i>	4	0.8	6	2.3	2	1.5	12	1.3
<i>Other</i>	6	1.1	-	-	-	-	6	0.7
<i>2 or more Minority</i>	-	-	0	0.0	0	0.0	0	0.0
<i>Joint Race</i>	-	-	3	1.2	2	1.5	5	0.6
Total Minority	21	4.1	14	5.5	10	7.7	45	5.0
<i>White</i>	481	93.9	232	91.3	117	90.0	830	92.7
<i>Not Provided</i>	1	0.2	-	-	-	-	1	0.1
<i>NA</i>	9	1.8	8	3.2	3	2.3	20	2.2
Total	512	100.0	254	100.0	130	100.0	896	100.0

*Source: CRA Wiz Software.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

LENDING TEST (CONTINUED)

Bristol County Savings Bank's minority application flow in 2003 was also compared to all other HMDA-reporting lenders accepting applications from within the Bank's assessment area. The Bank falls below the aggregate in lending to minority individuals. Refer to the following table to observe how the bank compared to the aggregate in 2003.

Race	Aggregate Data 2003		Bristol County Savings Bank 2003	
	#	%	#	%
<i>Native American</i>	171	0.3	2	0.4
<i>Asian</i>	660	1.1	4	0.8
<i>Black</i>	965	1.6	5	1.0
<i>Hispanic</i>	1,492	2.6	4	0.8
<i>Other</i>	1,160	2.0	6	1.1
Total Minority	4,448	7.6	21	4.1
<i>White</i>	40,551	69.5	481	93.9
<i>Not Provided</i>	10,342	17.7	1	0.2
<i>Not Applicable</i>	3,040	5.2	9	1.8
Total	58,381	100.0	512	100.0

2003 CRA WIZ Data

VII. Loss of Affordable Housing

Bristol County Savings Bank's development of credit products with flexible lending criteria, community development lending, and participation in flexible lending programs has assisted low and moderate-income individuals to remain in their neighborhoods.

CONCLUSION (Lending Test)

Taking into account the number and amount of home mortgage and small business loans in its assessment area, Bristol County Savings Bank has demonstrated a good responsiveness to the assessment area's credit needs. The loans are well distributed throughout the communities in its assessment area, particularly within moderate-income geographies. The Bank's lending also demonstrates a good distribution of loans among individuals of different income levels and is considered good for lending to businesses of different sizes. The Bank's community development lending is considered to be excellent. The institution has offered a high level of innovative and flexible lending products. In addition, the Bank's fair lending procedures were also found to be excellent at this time. Therefore, the institution's lending performance receives an overall rating of Outstanding.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

INVESTMENT TEST

The investment test evaluates the Bank's record of helping to meet credit needs through qualified investments that benefit the assessment area or a broader statewide or regional area that includes the Bank's assessment area. A qualified investment is defined as a lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Community development purposes include 1) providing affordable housing for low- or moderate-income individuals or areas, 2) providing community services targeting low- or moderate-income individuals or areas, 3) promoting economic development by financing small businesses, or 4) revitalizing or stabilizing low- or moderate-income geographies. Investment performance is evaluated based on the level, innovativeness or complexity, and degree of responsiveness to community needs.

The institution's Investment Test performance was rated an overall "Outstanding." This rating is based upon the level of qualified investments and the degree of innovativeness and complexity of those investments. Management has been successful in increasing the dollar amount and level of qualified investments since the last evaluation.

Bristol County Savings Bank made approximately \$1,250,000 in qualified investments that benefited the Bank's assessment area or a broader statewide or regional area which included the Bank's assessment area.

Per the regulation, the above figure includes commitments and advances towards qualified investments made since the previous examination, as well as qualified investments made prior to the previous examination with outstanding balances on the Bank's books. The following are examples of the Bank's qualified investments.

Investments

Access Capital Strategies Community Investment Fund, Inc. (ACSCIF)

Bristol County Savings Bank invested twice for a total of \$1,000,000 in the ACSCIF during the time period reviewed. The first investment of \$500,000 was in 2003 and the second investment of \$500,000 was made in 2005. The ACSCIF is a SEC-registered fund structured as a business development company. The primary purpose of the fund is to provide a secondary market and financing vehicle for community development loan originators. The fund invests in private placement debt securities specifically designated to support underlying community development activities targeted to serve low and moderate-income individuals such as affordable housing, education, small business lending and other job creating investments within in a target region specified by the investing institution. The Bank's designated target region for the investment is the assessment area, including cities and towns in Southeastern Massachusetts as well as Northern Rhode Island.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

INVESTMENT TEST (CONTINUED)

South Eastern Economic Development (SEED)

Bristol County Savings Bank has committed a \$250,000 investment to SEED during 2003. SEED is a nonprofit, SBA certified corporation set up to improve the economy of southeastern Massachusetts by assisting small businesses to start-up, expand and create new jobs. SEED's financing programs are designed to work in conjunction with banks located within SEED's geographic region, which include Barnstable, Bristol, Dukes, Nantucket, Norfolk, and Plymouth counties. The Bank's investment assisted in creating a limited partnership in the form of a Small Business Investment Corporation through SEED and the Small Business Administration. The investment will assist in addressing the need for subordinated financing and equity for small businesses which cannot access conventional venture capital sources. The funds will provide higher risk capital for small businesses in the various counties listed above.

Charitable Contributions

Bristol County Savings Bank has made qualified grants during the current examination period totaling approximately \$797,856. Most of the grant funding comes from the Bristol County Savings Charitable Foundation ("BCSCF"), created by the Bank to finance its charitable giving activities. The foundation was established for the purpose of supporting community, charitable, educational and other benevolent organizations. Recipients benefit the community in various ways including childcare, healthcare, educational, and social services. In addition, Bristol County Savings Bank also makes a nominal amount of charitable contributions outside of the foundation.

BCSCF was established in 1996 and was initially funded with approximately \$1,000,000 in donated Bank securities (common stock) and additional donations have been made annually, thereafter. As of year end 2004, the BCSCF's assets totaled approximately \$9.9 million. The BCSCF consists of three different funds: The Attleboro-Taunton Fund, which funds grants in the greater Attleboro-Taunton area; the Pawtucket Advisory Board, which was established in conjunction with the opening of a branch in that city which contains low and moderate-income census tracts; and the BCSB fund, which operates throughout the Bank's entire assessment area

The following table summarizes the foundation level of activity.

Year	Total BCSCF Qualified Grants	
	#	\$
2003	58	\$243,403
2004	79	\$290,931
YTD 2005	66	\$241,813
Total	203	\$776,147

Source: Internal Bank Records as June 30, 2005

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

INVESTMENT TEST (CONTINUED)

During 2003, 2004 and year-to-date June 30, 2005, the Bank extended \$776,147 in qualified grants throughout the assessment area through the BCSCF. Adding in the \$21,709 in qualified grants donated by the Bank during the same time period, total qualified grants were \$797,856.

The following are examples of organizations that have received grants and contributions through the BCSCF as well as through the Bank.

Consumer Credit Counseling Service of Massachusetts (“CCCS”)

The Bank provided donations in support of this organization’s Southern New England office. CCCS provides programs that help prevent bankruptcies, reduce collection costs, and preserve customer relationships.

Habitat for Humanity

This not for profit organization assists families in attaining home ownership through self-help and outside donations of cash, materials, and labor. Home construction is accomplished primarily through voluntary laborers who build houses that are then sold to selected low-income families.

Our Daily Bread

This organization is located in Taunton and funds were used to provide handicap accessibility to the food pantry for the less fortunate.

New Hope, Inc.

This organization supports programs for battered women and children throughout the Greater Attleboro/Taunton area.

Bristol County Savings Bank has provided continuous contributions to organizations which provide education and job skills training, neighborhood revitalization, youth programs and health and human services for individuals in need. These organizations include, but are not limited to: The Boys & Girls Club of Taunton, The Pawtucket Foundation, The Pawtucket Family YMCA, and The Taunton Housing Authority.

United Way

Bristol County Savings Bank continues to make substantial contributions to the United Way. The United Way assists several organizations whose missions are designated towards low and moderate-income individuals.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

INVESTMENT TEST (CONTINUED)

CONCLUSION (Investment Test)

As depicted above, Bristol County Savings Bank has an excellent level of qualified community development grants, and has exhibited excellent responsiveness to credit and community economic development needs based on the opportunities in the assessment area. Therefore, the Bank's investment performance is rated Outstanding.

SERVICE TEST

The Service Test evaluates an institution's record of helping to meet the credit needs of its assessment area by analyzing both the availability and effectiveness of an institution's systems for delivering retail banking services and the extent and innovativeness of its community development services. Bristol County Savings Bank's performance under the service test is rated Outstanding.

The institution's retail banking services are evaluated pursuant to the following criteria: 1) the distribution of the institution's branches among geographies of different income levels; 2) the record of opening and closing branches, particularly branches located in low and moderate-income geographies or that primarily serve low or moderate-income individuals; 3) the availability and effectiveness of alternate systems for delivering retail banking services; and 4) the range of services provided in low, moderate, middle, and upper-income geographies and the degree to which the services are tailored to meet the needs of those geographies.

Retail Banking Services

Distribution of Branches

Bristol County Savings Bank operates nine full service offices and two limited service branch offices. The main office is headquartered in downtown Taunton, which is designated as a moderate-income census tract. Based on the updated 2004 MSA Census Tract designations, one full service office is located in a moderate income census tract, Pawtucket, RI. The remaining full service branches are located in Taunton, a middle-income census tract, and upper-income census tracts in, Raynham (2), Rehoboth (1), Attleboro (2) and Franklin (1). This reflects a shift of three offices from previously designated middle-income tracts to upper-income tracts under the new data.

Limited service branch offices are also maintained at Attleboro High School and Taunton High School. The school branches, staffed by students, are limited to school personnel, and only operate during the school year from Monday through Friday, during lunch period. The high school branches are set up as educational centers for students

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

SERVICE TEST (CONTINUED)

to achieve practical vocational banking experiences. Students perform all banking operations under the supervision of Bank personnel.

The Bank also maintains two loan production offices within its assessment area. One office is designated as a commercial and mortgage loan center and the other as a consumer loan center. Both offices are located in a moderate-income census tract in Taunton.

The Bank's hours of operation are reasonable and compare favorably with other local financial institutions. All full service offices are open on Saturday and offer extended hours on Thursday and Friday. Drive-up window service is also available at each office location.

Consumer and home equity loans and lines of credit applications are taken at all offices. Branch personnel refer all applicants applying for a home purchase loan or refinance loan to the Bank's loan originators who will either meet at a location convenient to the applicants, or at one of the loan production offices.

The Bank employs forty-eight bilingual individuals. Second languages spoken include Portuguese, Spanish, Cambodian and Cape Verdien.

Record of Opening and Closing Branches

A Branch Closing Policy is maintained by the Bank and reviewed and approved by the Board on an annual basis. This policy outlines procedures to be followed should the decision be made to relocate or close an office. No offices have been opened or closed since the previous examination.

Alternative Retail Banking Services

- Automated Teller Machine ("ATM") Service: Each full service office maintains 24-hour ATMs and two additional free standing ATMs located in Taunton and Pawtucket RI. The Pawtucket ATM was opened in May of 2005 and is situated in a moderate-income tract. ATM cards are available for use at all Cirrus and NYCE network ATMs without surcharges. Bristol County Savings Bank is a member of the SUM alliance and ATM fees are only assessed at Bristol County Savings Bank's free standing machines. Additionally, the Bank allows customers free access to Bank of America's ATMs by paying the assessed surcharges.
- Automated Telephone Banking (BankLINE): By utilizing the telephone banking system, customers can access their accounts, obtain balance inquiries, transfer funds from one account to another, and obtain current interest rate information. This service is available to all customers 24 hours a day, 7 days a week.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

SERVICE TEST (CONTINUED)

- Electronic Banking (BCSB Online): Customers are able to, among other services, view account balances and transactions details, schedule transfers between accounts, make bill payments and view cancelled checks. Electronic banking is available to customers 24 hours a day, 7 days a week.
- Business Express: Bristol County Savings Bank maintains a similar electronic banking product for its commercial customers. Business customers can access account information, make funds and write transfers, verify deposits and transfers, view daily account balances, examine check detail, receive detail of posted transactions, send stop payment requests and export information into their accounting package for quick reconciliation.
- Bank by Mail: This service allows customers the option of completing banking transactions through the mail.
- Website (www.bristolcountysavings.com): The Bank's web site provides information about the Bank's deposit services and credit products. The site also provides general banking information including branch locations and business hours.

Other Retail Services

As a participant in Massachusetts Community and Banking Council's ("MCBC") Basic Banking Program, Bristol County Savings Bank offers low cost savings and checking accounts to all segments of its assessment area, including those with modest incomes. Per MCBC guidelines, the Bank offers a Basic Checking account, which features a flat \$2.50 monthly fee and 8 free withdrawals with no minimum balance requirement. Bristol County Savings Bank also offers a personal checking account that requires a \$200.00 minimum balance to avoid monthly maintenance charges, unlimited check writing, and unlimited ATM transactions.

The Bank also participates in the Commonwealth of Massachusetts' educational program "Savings Makes Cents" with five area schools located throughout its assessment area belonging to the program. Management's goal is to educate the students on the basics of money management.

Attorneys and law firms maintain Interest On Lawyers Trust Accounts ("IOLTA") at the Bank. These accounts are established for the short term holding of clients' funds. Interest earned on these accounts is remitted to the IOLTA committee, which distributes to local charities to provide low or no cost legal services to low-income individuals. Bristol County Savings Bank has recently become a "Leadership Bank", agreeing to pay a higher rate of return and waive most fees involved with IOLTA maintenance. As of June 30, 2005, the Bank had sixty-four IOLTA accounts with deposits totaling \$5,768,478.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

SERVICE TEST (CONTINUED)

The Bank's systems for delivering retail services are readily accessible to the consumers within its assessment area. Retail banking services, products and alternatives offered by the Bank give consumers the flexibility and convenience.

COMMUNITY DEVELOPMENT SERVICES

The CRA regulation defines a community development service as a service that is primarily for a community development purpose and is related to the provision of financial services. The institution's community development services are evaluated pursuant to the following criteria: 1) the extent of community development services offered and used; 2) the innovativeness of community development services, including whether they serve low and moderate-income customers in new ways or serve groups of customers not previously served; 3) the degree to which they serve low and moderate-income areas or individuals; and 4) their responsiveness to available opportunities for community development services.

Bristol County Savings Bank's officers and employees are primarily involved with community organizations that address economic development within its assessment area. The Bank's staff also participates in programs that promote affordable housing and services for low and moderate income residents. Through these involvements, the Bank's staff lends their technical expertise, experience, and judgment to these organizations. Detailed below are some of Bristol County Savings Bank's qualified community development services.

- Bristol County Savings Bank's Vice President of Residential Mortgage is President of Pro-Home, Inc. Pro-Home, Inc. is a private, non-profit corporation concerned with the production and protection of affordable housing in the City of Taunton.
- The Bank's Executive Vice President & Senior Loan Officer for Lending is member of the Loan Review and Venture Capital Committees for SEED. This non-profit, SBA certified corporation is dedicated to improving the economy of southeastern Massachusetts by assisting small businesses to start-up, expand and create new jobs. SEED provides technical assistance and loans for small businesses that cannot obtain the entire financing they need from banks or other private sources. Three Vice Presidents of Commercial Lending and an Assistant Vice President of Commercial Lending are also members of SEED.
- The Bank's Executive Vice President, Treasurer and Chief Operating Officer is on the board and serves as treasurer of the Heart of Taunton, an organization concerned with downtown revitalization. The group encourages businesses to locate in the area. A Vice President and the Assistant Operations Officer are volunteers for the group, and the Bank's Business Development Officer is also a member.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

SERVICE TEST (CONTINUED)

- The President is a member of the Taunton Development Corporation. Taunton Development Corporation was formed as a nonprofit organization with the purpose of bringing industry and jobs into the City of Taunton. This is done primarily through the development, management, marketing and maintenance of industrial parks, such as Myles Standish Industrial Park.
- The Bristol County Savings Bank's President and three Vice Presidents are Board members of FAIR (Friends of Attleboro Interested in Revitalization), which promotes downtown activities in the City of Attleboro, an area targeted for revitalization.
- The Executive Vice President, Treasurer, and Chief Operating Officer is also a member of the board of directors and serves as treasurer of the Community Care Services, Inc. This non-profit human service agency provides a comprehensive range of counseling, educational and community living services to children, adults, and families living in southeastern Massachusetts. Community Care Services, Inc. operates an outpatient clinic in Taunton and Attleboro that offers mental health, substance abuse, and behavioral health care. Clients that meet income guidelines qualify for funding and reduced fees for outpatient care.
- The Executive Vice President & Senior Loan Officer is also the treasurer of Community Partnerships, Inc. This organization assists people with disabilities and chronic illnesses, including alcoholism and drug addiction. A majority of the individuals served by this organization are largely dependant on government benefits.
- The Bank's Vice President of Marketing serves on the Board of Directors for the Pawtucket Foundation. The Pawtucket Foundation represents the private business and not-for-profit sectors in advocating for downtown, riverfront, and gateway improvements within Pawtucket.

In addition to the above noted organizations, the Bank is also actively involved in Chambers of Commerce and the Rotary Clubs in several communities within its assessment area. Bank management is also actively involved in fundraising for several YMCAs in the area. Other organizations that officers and employees lend their technical expertise to include the Boys & Girls Club, Ocean State Business Development, Salvation Army, Downtown Attleboro Associates, Attleboro Enterprises Inc., the Old Salter Mill Association, and several other civic, charitable, religious and fraternal organizations located throughout the assessment area.

Educational Services and Seminars

Bristol County Savings Bank has sponsored twelve homebuyer seminars during the review period. The topics of these seminars included home purchases, first time home buying and affordable housing. The Bank held six of these seminars in their offices. One seminar was for bilingual customers and one was conducted in Spanish.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

SERVICE TEST (CONTINUED)

Additionally, the Bank participates in the Massachusetts Bankers Association's Foreclosure Prevention Project. The project is a cooperative program providing financial counseling to low- and moderate-income homeowners across Massachusetts. Participating members provide support for the development and distribution of consumer education materials specifically designed to help homeowners avoid or address mortgage default. Participating lenders may also refer troubled borrowers to a community-based housing counselor to determine if there is a realistic alternative to foreclosure.

The Bank is certified in the FDIC's Money Smart financial education program and conducted five such programs with Pro-Home, Inc. in 2004 and two in 2005. Additionally, Bank employees were involved in 7 financial management and literacy programs at area schools. This included participation as speakers who educated students on savings and checking accounts, ATM/Debit cards and credit cards.

Other Community Development Efforts

In 2003, the Bank prepared and submitted an application on behalf of Our Daily Bread to the Massachusetts Bankers Association Charitable Foundation. The application was to support meals to low-income and homeless individuals and families within the City of Taunton. As a result of the application, the organization was awarded a \$5,000 grant.

In 2005, the Bank provided technical assistance to Community Counseling of Bristol County in the completion of a Federal Home Loan Bank Affordable Housing Program Grant. Community Counseling then received a \$50,000 grant and an additional subsidized loan of \$176,147. This loan is funneled through and administered by Bristol County and yields approximately \$55,864 in an interest subsidy to the organization.

In 2004, Bristol County Savings Bank prepared and submitted an application on behalf of Pro-Home, Inc. to the Massachusetts Bankers Association Charitable Foundation. If approved, the grant would have been used to assist in the provision of homebuyer and homeowner education activities.

Conclusion Service Test

As depicted above, Bristol County Savings Bank's systems for delivering retail banking services are accessible to geographies and individuals of different income levels in its assessment area. The Bank's officers and employees have provided an outstanding level of service activities and involvement in community organizations primarily for community development purposes and related to the provision of financial services. Many of the organizations that Bank management and employees have taken a leadership role in promote economic development or target the revitalization of business communities. Bank management and staff have sponsored and participated in numerous educational seminars. Therefore, Bristol County Savings Bank's service activities receive a rating of Outstanding.

APPENDIX A

SCOPE OF EXAMINATION

Bristol County Savings Bank's assessment area is defined as 13 cities and towns located within the Boston-Quincy MD and the Providence-Fall River MA MSA. The institution's CRA performance was reviewed using the large bank examination procedures. The time period covered in this examination was January 1, 2003, through June 30, 2005, using data as available.

All HMDA-reportable loans recorded on the 2003, 2004 and Year-to-date June 30, 2005 Loan Application Registers were included in the evaluation of the Bank's lending performance. In addition, all loans recorded on the 2003, 2004, and Year-to-date June 30, 2005 Small Business Loan Register (as defined under the data collection requirements of the CRA regulation) were included in the evaluation of the Bank's lending performance.

Qualified investments were also reviewed.

In addition, the Bank's systems for delivering retail banking services and the provision of service activities primarily for community development purposes and related to the provision of financial services were considered.

This examination also included a review of the bank's Public File, which contained no negative CRA-related comments.

PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, and the Uniform Interagency Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations require all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at 35 Broadway, Taunton, Massachusetts, 02780."

[Please Note: If the institution has more than one assessment area, each office (other than off-premises electronic deposit facilities) in that area shall also include the address of the designated office for that area.]

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agency, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.